

**WEEKLY FOREIGN EXCHANGE OUTLOOK**
**15 Feb 2021 - 19 Feb 2021**

**Dollar Index**
**Dollar Index Graph**


Source: Thomson Reuters

**Dollar News**

- The dollar index opened at 91.11 and closed at 90.408. Last week, the dollar index moved in the range of 90.408-91.11.
- The dollar index dropped against its peers currencies after the US non-farm payrolls reported to gain 49K, below the expectations, which indicated to a slower economic recovery.
- US unemployment rate decreased to 6.3% in January from 6.7% in a month earlier.
- US CPI rose by 0.3% in January as the expectations; however, the core CPI remained at the same level from December.
- The US jobless claims added 793K in the week ending 6 February which was higher than the forecast at 755K.
- Impending stimulus still pressured the Dollar index.
- The new high of Bitcoin price hurt the Dollar index.

**Dollar Index Performance**

<b>Last Week Close</b>	<b>91.04</b>	<b>Monthly High</b>	<b>91.60</b>
<b>Week Open</b>	<b>91.00</b>	<b>Monthly Low</b>	<b>89.21</b>
<b>Week Close</b>	<b>90.38</b>	<b>30 Days Average</b>	<b>90.48</b>
<b>Weekly High</b>	<b>91.60</b>	<b>90 Days Average</b>	<b>91.42</b>
<b>Weekly Low</b>	<b>90.25</b>	<b>YTD Change</b>	<b>+0.43%</b>

**Dollar Outlook**

• This week, the dollar index could move in the range of 90.00-91.60 . A breach of 90.00, the index could hit the lows around 89.20.

- The stilulus plan and the fast delivery of the COVID-19 vaccine could put the dollar index higher.
- Bitcoin is still the main focus to indicate the directions of the dollar index.
- Meanwhile, the minutes from the Federal Reserves' January policy meeting are due out on Wednesday (17/2).

**Dollar Index Economic Events**

Events	Period	Date	Forecast	Previous
Retail Sales MM	Jan	17-Feb	1.0%	-0.7%
Industrial Production MM	Jan	17-Feb	0.4%	1.6%
Housing Starts Number	Jan	18-Feb	1.655M	1.669M
Initial Jobless Clm	13 Feb, w/	18-Feb	775k	793k
Philly Fed Business Indx	Feb	18-Feb	20.0	26.5
Markit Comp Flash PMI	Feb	19-Feb	58.7	58.7
Markit Mfg PMI Flash	Feb	19-Feb	58.5	59.2
Markit Svcs PMI Flash	Feb	19-Feb	57.5	58.3
Existing Home Sales	Jan	19-Feb	6.60M	6.76M

<b>Lower Bound</b>	<b>90.00</b>	<b>Upper Bound</b>	<b>91.60</b>
<b>Forecast</b>	<b>Neutral</b>		

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**Thai Baht Graph**


Source: Thomson Reuters

**Thai Baht Outlook**

- This week, the Thai baht could move in the range of 29.80-30.00 THB/USD.
- The low volumes are expected to be traded in the Asian market as the Chinese market still close on Monday (15/2) to Wednesday (17/2)
- Thailand is planning to vaccinate about 60% of the adult population by the end of 2021, to get closer to "herd immunity". However, this year's outlook remains uncertainty which could pressure on THB

<b>Lower Bound</b>	<b>29.80</b>	<b>Upper Bound</b>	<b>30.00</b>
<b>Forecast</b>	<b>Appreciation</b>		

**Thai Baht News**

- The Thai baht opened at 30.04/06 THB/USD and closed at 29.84/85 THB/USD. Last week, the Thai baht moved in the range of 29.82-30.06 THB/USD.
- The Thai baht also supported from the depreciation of the US dollar.
- Trade was thin as the main Asian market which is China has celebrated for their new year and the chinese market closed on 11-17 February.

**Thai Baht Performance**

<b>Last Week Close</b>	<b>30.06</b> THB/USD	<b>Monthly High</b>	<b>30.13</b> THB/USD
<b>Week Open</b>	<b>30.04</b> THB/USD	<b>Monthly Low</b>	<b>29.85</b> THB/USD
<b>Week Close</b>	<b>#N/A</b> THB/USD	<b>30 Days Average</b>	<b>29.98</b> THB/USD
<b>Weekly High</b>	<b>30.04</b> THB/USD	<b>90 Days Average</b>	<b>30.40</b> THB/USD
<b>Weekly Low</b>	<b>29.86</b> THB/USD	<b>YTD Change</b>	<b>-0.33%</b>

**Thai Baht Economic Events**

Events	Period	Date	Forecast	Previous
GDP Growth YY	Q4	15-Feb	-5.4%	-6.4%
GDP Growth QQ SA	Q4	15-Feb	0.8%	6.5%
Annual GDP Growth	2020	15-Feb		2.40%
Custom-Based Export Data	Jan	22-Feb		4.71%
Custom-Based Import Data	Jan	22-Feb		3.62%
Customs-Based Trade Data	Jan	22-Feb		0.96B
Manufacturing Prod YY	Jan	22-Feb		-2.44%

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**Euro Graph**


Source: Thomson Reuters

**Euro Outlook**

- This week, the euro could move in the range of 1.1950-1.2180
- In the longer term, it is possible that the euro might depreciate against the US dollar as the US economy might recover faster than the Eurozone.
- The main focus will be on how fast to have the vaccination available as the European Commission has lagged behind countries such as Britain, a former member and the United States.

<b>Lower Bound</b>	<b>1.1950</b>	<b>Upper Bound</b>	<b>1.2180</b>
<b>Forecast</b>	<b>Depreciation</b>		

**Euro News**

- The euro opened at 1.2030/33 USD/EUR and closed at 1.2113/16 USD/EUR. Last week, the euro moved in the range of 1.2020-1.2149 USD/EUR.
- The euro held gains against the US dollar for the whole week as the dropped of the greenback.
- Christine Lagarde, President of the ECB, said that the ECB could do more stimulus plan to support the economic if needed.
- The European Commission lowered the eurozone GDP growth to 3.8% in 2021 compared with 4.2% forecasted earlier.

**Euro Index Performance**

<b>Last Week Close</b>	<b>1.2042</b> USD/EUR	<b>Monthly High</b>	<b>1.2149</b> USD/EUR
<b>Week Open</b>	<b>1.2040</b> USD/EUR	<b>Monthly Low</b>	<b>1.1953</b> USD/EUR
<b>Week Close</b>	<b>1.2118</b> USD/EUR	<b>30 Days Average</b>	<b>1.2140</b> USD/EUR
<b>Weekly High</b>	<b>1.2149</b> USD/EUR	<b>90 Days Average</b>	<b>1.2016</b> USD/EUR
<b>Weekly Low</b>	<b>1.2018</b> USD/EUR	<b>YTD Change</b>	<b>-0.65%</b>

**Euro Index Economic Events**

Events	Period	Date	Forecast	Previous
Industrial Production MM	Dec	15-Feb	-1.0%	2.5%
Industrial Production YY	Dec	15-Feb	-0.3%	-0.6%
Reserve Assets Total	Jan	15-Feb		878.92B
GDP Flash Estimate QQ	Q4	16-Feb	-0.7%	-0.7%
GDP Flash Estimate YY	Q4	16-Feb	-5.1%	-5.1%
Consumer Confid. Flash	Feb	18-Feb	-15.0	-15.5
Markit Mfg Flash PMI	Feb	19-Feb	54.4	54.8
Markit Serv Flash PMI	Feb	19-Feb	46.0	45.4
Markit Comp Flash PMI	Feb	19-Feb	48.0	47.8

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**Pound Sterling**
**Pound Sterling Graph**


Source: Thomson Reuters

**Pound Sterling Outlook**

- This week, the pound could move in the range of 1.3780-1.3870 USD/GBP.
- The market eyes on the Brexit talks.
- The pound could appreciate in the short term as the vaccinating might meet the target that the government expected which could lead to the lockdown easing. 📄

<b>Lower Bound</b>	<b>1.3780</b>	<b>Upper Bound</b>	<b>1.3870</b>
<b>Forecast</b>	<b>Appreciation</b>		

**Pound Sterling News**

- The pound opened at 1.3725/27 USD/GBP and closed at 1.3800/02 USD/GBP. Last week, the pound moved in the range of 1.3680-1.3865 USD/GBP.
- The first estimate of GDP rose by 1% qoq in the last quarter of 2020 which was better than the expected of 0.5% growth. The UK economy growth 1.2% mom in December.
- UK manufacturing production rose by 0.3% mom in December which was worse than the forecast at 0.6%
- The capital outflows from the greenback led to the strong pound as investors are now on risk-on mode.
- The pound was supported by the fast vaccination of COVID-19 vaccines.

**Pound Sterling Performance**

<b>Last Week Close</b>	<b>1.3733</b> USD/GBP	<b>Monthly High</b>	<b>1.3902</b> USD/GBP
<b>Week Open</b>	<b>1.3727</b> USD/GBP	<b>Monthly Low</b>	<b>1.3569</b> USD/GBP
<b>Week Close</b>	<b>1.3844</b> USD/GBP	<b>30 Days Average</b>	<b>1.3676</b> USD/GBP
<b>Weekly High</b>	<b>1.3866</b> USD/GBP	<b>90 Days Average</b>	<b>1.3398</b> USD/GBP
<b>Weekly Low</b>	<b>1.3678</b> USD/GBP	<b>YTD Change</b>	<b>+1.65%</b>

**Pound Sterling Economic Events**

Events	Period	Date	Forecast	Previous
CPI YY	Jan	17-Feb	0.5%	0.6%
Retail Sales MM	Jan	19-Feb	-1.6%	0.3%
Retail Sales Ex-Fuel MM	Jan	19-Feb	-1.8%	0.4%
Retail Sales YY	Jan	19-Feb	-0.5%	2.9%
Flash Composite PMI	Feb	19-Feb	42.2	41.2
Flash Manufacturing PMI	Feb	19-Feb	53.8	54.1
Flash Services PMI	Feb	19-Feb	40.7	39.5

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**Australian Dollar**
**Australian Dollar Graph**


Source: Thomson Reuters

**Australian Dollar News**

- The Australian dollar opened at 0.7668/69 USD/AUD and closed at 0.7742/44 USD/AUD. Last week, the Australian dollar moved in the range of 0.7653-0.7771 USD/AUD.
- The Australian dollar, along with other currencies, strengthened from the dropped of the US dollar.
- The business confidence increased to 10 from 5 in December; however, the business conditions dropped to 7 from 14 in December.
- There was no rules changed after Biden and Xi talked which led to the lower Aussie.

**Australian Dollar Performance**

<b>Last Week Close</b>	<b>0.7677</b> USD/AUD	<b>Monthly High</b>	<b>0.7784</b> USD/AUD
<b>Week Open</b>	<b>0.7655</b> USD/AUD	<b>Monthly Low</b>	<b>0.7564</b> USD/AUD
<b>Week Close</b>	<b>0.7753</b> USD/AUD	<b>30 Days Average</b>	<b>0.7708</b> USD/AUD
<b>Weekly High</b>	<b>0.7771</b> USD/AUD	<b>90 Days Average</b>	<b>0.7464</b> USD/AUD
<b>Weekly Low</b>	<b>0.7649</b> USD/AUD	<b>YTD Change</b>	<b>+1.13%</b>

**Australian Dollar Outlook**

- This week, the Australian dollar could move in the range of 0.7650-0.7800 USD/AUD.
- As Australia is the main trade partner of China, the more positive trade talks between US and china, the more appreciation of the Aussie.
- The Aussies could be strengthen as successful coronavirus vaccine rollouts globally which raise hopes of a rapid recovery amid new fiscal aid from Wachinton.

**Australian Dollar Economic Events**

Events	Period	Date	Forecast	Previous
Employment	Jan	18-Feb	40.0k	50.0k
Unemployment Rate	Jan	18-Feb	6.5%	6.6%
Mfg PMI Flash	Feb	19-Feb		57.2
Services PMI Flash	Feb	19-Feb		55.8
Comp PMI Flash	Feb	19-Feb		56.0

<b>Lower Bound</b>	<b>0.7650</b>	<b>Upper Bound</b>	<b>0.7800</b>
<b>Forecast</b>	<b>Appreciation</b>		

Please carefully examine the Important Disclosure on the last section of this material.


**Japanese Yen Graph**


Source: Thomson Reuters

**Japanese Yen Outlook**

- This week, the Japanese yen could move in the range of 104.40-105.50 JPY/USD.
- The 10-year US treasury yield could hint the directions of the Japanese yen in the same way.
- Japan is expected to start coronavirus vaccinations this week, which could support the riskier asset and pressure in the Yen.

<b>Lower Bound</b>	<b>104.40</b>	<b>Upper Bound</b>	<b>105.50</b>
<b>Forecast</b>	<b>Neutral</b>		

**Japanese Yen News**

- The Japanese yen opened at 105.50/52 JPY/USD and closed at 104.55/57 JPY/USD. Last week, the Japanese yen moved in the range of 104.42-105.55 JPY/USD.
- The first estimate of GDP added by 3.0% in the last quarter of 2020, beating the estimated to rise by 2.4%
- Taro Aso, the finance minister, announced 1.1372 trillion easing package to fight the coronavirus.
- The risk-on mood of the market pressured the Japanese yen.
- Trade was thin in the Asian market as the Chinese New Year holiday started from 11-17 February.

**Japanese Yen Performance**

<b>Last Week Close</b>	<b>105.36</b> JPY/USD	<b>Monthly High</b>	<b>105.76</b> JPY/USD
<b>Week Open</b>	<b>105.37</b> JPY/USD	<b>Monthly Low</b>	<b>104.42</b> JPY/USD
<b>Week Close</b>	<b>104.93</b> JPY/USD	<b>30 Days Average</b>	<b>104.71</b> JPY/USD
<b>Weekly High</b>	<b>105.67</b> JPY/USD	<b>90 Days Average</b>	<b>104.24</b> JPY/USD
<b>Weekly Low</b>	<b>104.40</b> JPY/USD	<b>YTD Change</b>	<b>+1.80%</b>

**Japanese Yen Economic Events**

Events	Period	Date	Forecast	Previous
GDP QQ	Q4	15-Feb	2.3%	5.3%
GDP QQ Annualised	Q4	15-Feb	9.5%	22.9%
Machinery Orders MM	Dec	17-Feb	-6.2%	1.5%
Machinery Orders YY	Dec	17-Feb	-3.0%	-11.3%
Exports YY	Jan	17-Feb	6.6%	2.0%
Imports YY	Jan	17-Feb	-6.0%	-11.6%
Trade Balance Total Yen	Jan	17-Feb	-600.0B	751.0B
CPI, Core Nationwide YY	Jan	19-Feb	-0.7%	-1.0%
CPI, Overall Nationwide	Jan	19-Feb		-1.2%

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